



March 3, 2011

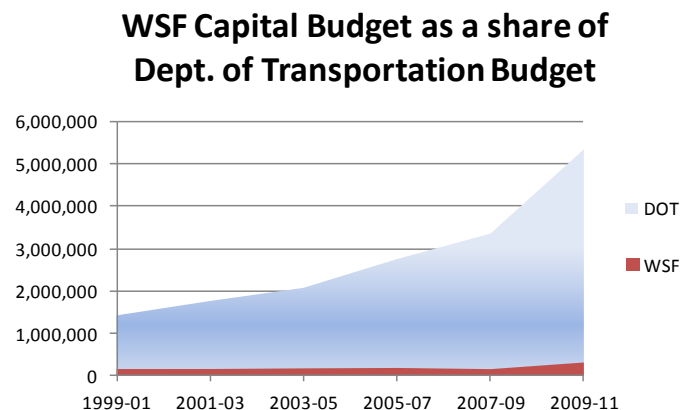
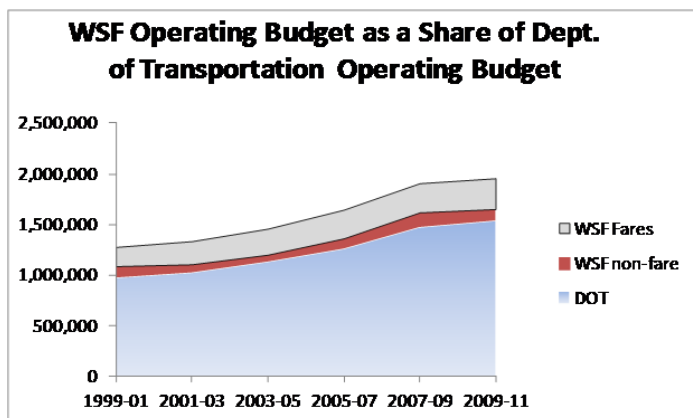
Dear Governor Gregoire,

As a bipartisan group of legislators representing Puget Sound's ferry communities, we appreciate your invitation, as outlined in your February 15 letter, to develop a strategy for ensuring a "strong, dependable ferry system designed to meet our citizens' needs and expectations." **We stand united in our goal of maintaining current service levels, beginning construction of a long-awaited relief boat capable of serving the mid-size and Central Sound runs, and being responsible stewards of our state's transportation infrastructure.**

Part of that infrastructure includes the ferry system. **Washington's ferries are our marine highways.** Our state is at a crossroads – either our marine highway system is treated as much a crucial part of our state's infrastructure as any other bridge or freeway, or it continues to be treated separately from those parts of our highway system that are, metaphorically and literally, on more solid ground.

As discussions of service reductions dominate the conversation, we must be mindful that such reductions come at a cost. Reduced capacity for moving freight has ripple effects statewide. Local businesses will be forced to close their doors. Late-shift workers will be stranded or forced to take lengthy detours to and from work. Homeowners will see further decline in home values during an already difficult economic time.

From our perspective, the ferry system has not remained a priority within the state's highway system. Over the past 10 years, ferry funding as a proportion of state transportation spending has been declining. One can blame the loss of the MVET for reduced funding, but in reality, the ferry system can be funded from the same sources used to fund the rest of our highway system.



To offset lost funding, ferry riders have absorbed significant fare increases and service cuts across all routes. Our communities have taken on increased fares to the point our fare recovery rate is now around 70 percent system-wide, far above that of other transit agencies and state-supported Amtrak service. Recent polls reinforce that most riders are willing to continue to pay their fair share.

We've scaled back our expectations for ferry system growth and improvements. Expensive terminal reconstruction at Edmonds, Bainbridge Island and Seattle has been postponed indefinitely. We currently have such a serious lack of redundancy in the system that any unforeseen glitch leads to suspension of traffic. The three boats being built will expand system capacity only marginally, will not meet anticipated future growth and demand, and do not satisfy the need for redundancy on most of our routes.

Service reductions, quite simply, are not an option. The answer lies in improved efficiencies – and there is room for improvement – and an adequate revenue stream to maintain existing levels of service. Here is our plan to begin to get us there. Our ferry communities have already worked to be part of the solution and continue to be willing to do so.

1. FOCUS ON EFFICIENCIES FIRST

The Passenger Vessel Association made numerous recommendations and we applaud the willingness of Washington State Ferries to adopt or look into nearly every one. But there are still instances where poor management decisions are costing tens and hundreds of thousands of dollars. That's why we support discussions this year to reform labor and management practices and reassure the Legislature and the public that WSF is making best use of every dollar.

Additionally, to make most efficient use of our entire transportation, we need a more comprehensive statewide transportation plan that clearly identifies the linkages between the various modes used to transport people and goods (which includes ferries), the costs of maintaining and operating those modes, and performance measures that ensure we're maximizing efficiency in the system.

2. REDUCE SPENDING TO PRESERVE SERVICE

In addition to the \$9.7 million savings from labor costs you assumed in your budget proposal, attached is a spreadsheet outlining additional reductions and efficiencies that would provide \$21.6 million in savings, primarily in operating costs, without reductions in ferry service.

3. EXAMINE REVENUE OPTIONS

We recognize there are few options within the transportation budget to fully fund all the needs of the state's highway system, but we do support the proposal currently in the Senate to create a new "Capital Vessel Replacement Account" for ferry construction. This could be funded with a ferry fare surcharge, as proposed in the Senate bill, or with a credit from the sales tax paid on ferry fuel. This account could be used to bond against construction of the new ferries, which would be built in Washington State shipyards with robust apprenticeship programs.

Unlike the Talgo trains, our new boats would generate economic energy throughout the state, reposition our maritime industry, and help provide the economic stability that our west sound region needs right now.

In addition, we might support additional farebox recovery, but only when we can assure our fellow legislators and our communities that WSF is operating as efficiently as possible and that fares are supporting our top two priorities: preserving current levels of service and construction of a new 144-car vessel.

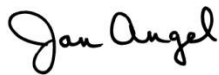
Our request is minimal. **We ask the Legislature and the Governor to support our marine highways to preserve the linkages between our ferry communities and the rest of the state.** To do otherwise threatens the economic vitality of all our districts. The uncertainty created by annual proposals to reduce service erodes the stability of our small businesses, our property values, and our ability to plan for our future.

The 18th Amendment of our state Constitution is clear – our ferries are as much a part of our highway system as any major corridor or floating bridge. **In honoring our Constitution, the preservation and maintenance of our marine highways must be considered as equitably and fairly as those other parts of our state's infrastructure.**

Sincerely,



Rep. Christine Rolfes
23rd District



Rep. Jan Angel
26th District



Rep. Sherry Appleton
23rd District



Rep. Barbara Bailey
10th District



Rep. Kristine Lytton
40th District



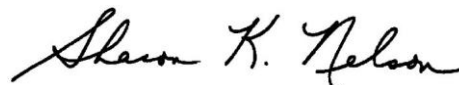
Senator Derek Kilmer
26th District



Senator Phil Rockefeller
23rd District



Senator Kevin Ranker
40th District



Senator Sharon Nelson
34th District



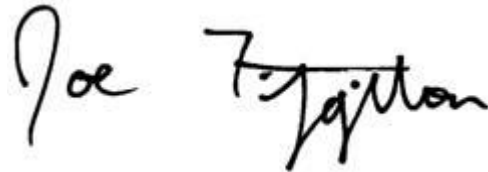
Rep. Larry Seaquist
26th District



Rep. Kevin VanDeWege
24th District



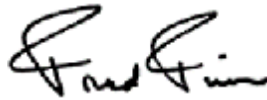
Rep. Norma Smith
10th District



Rep. Joe Fitzgibbon
34th District



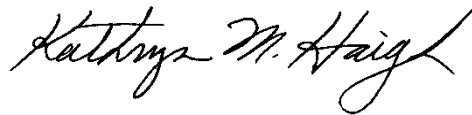
Rep. Steve Tharinger
24th District



Rep. Fred Finn
35th District



Rep. Eileen Cody
34th District



Rep. Kathy Haigh
35th District



Rep. Jeff Morris
40th District

Cc: Senator Mary Margaret Haugen, Chair Senate Transportation Committee
Representative Judy Clibborn, Chair House Transportation Committee
Paula Hammond, Secretary of the Washington State Department of Transportation
David Moseley, Assistant Secretary of Transportation for Washington State Ferries
Teresa Berntsen, Executive Policy Advisor for Governor Gregoire